Approved For Release 2003/05/23 : CIA-RDP80R01731R003000060003-4

MEMORANDUM FOR: Director of Central Intelligence SUBJECT: OCB Progress Report on MSC Shou/1 (Berlin)

There is attached a summary progress report for your use she the OCB Progress Report on MSC 5104/1 (Berlin) comes before the M J. There is also attached a copy of the longer briefing memorandum which was available to you at the GCB meeting.

Attachments:

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BY (Signature) WITNESSED BY (Signature) BY (Signature) DATE Approved For Release 2003/05/23 : CIA-RDP80R01731R003000060003-4 FORM NO. 26 REPLACES PREVIOUS EDITIONS OF 1 SEP 54 FORMS 38-13 AND 26 WHICH MAY BE USED.

TO

BY (Signature)

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16 December 1954

25X1	MEMORANDUM FO	H:	
25X1	FROM	:	O/NE
	SUBJECT	:	Comments on OCB "Progress Report on NSC 5404/1 (Berlin)"

- 1. The recent elections in West Berlin provide evidence of the success of Allied policy and indicate that the generally optimistic tone of the Progress Report is warranted.
- 2. However, the Working Group's recommendation (p. 3, paras. 8, 9; p. 10, para. 8h; p. 11, para. 9) that the US postpone temporarily implementation of the policy decision to persuade the UK and France to agree on future plans and emergency measures must be weighed against the possibility that Soviet retaliatory measures against Berlin im the immediate post-ratification period will find the three Western allies without an agreed policy to deal with the new situation.
- 3. Implementation of this decision has already been postpored since the President approved the Berlin policy in January 1954. The Working Group recommendation for further postponement is based upon the consideration that such tripartite negotiations during the delicate political maneuvers in the French Assembly could endanger ratification of the Paris Agreements. It recommends that US approaches to the UK and France follow French ratification as soon as circumstances permit.
- 4. However, the immediate post-ratification period may be a dangerous period for Berlin. Should the Soviets or GDR resort to harassing action in response to ratification, the absence of a tripartitely agreed position on emergency measures could be serious. We are preparing a national estimate on Probable Soviet Response to Ratification of the Paris Accords including in Berlin, but it is not scheduled for completion until early February. Our tentative view is that further sealing off of West Berlin from the East and perhaps some harassment is likely, but not a new blockade.

5. In view of the British attitude (p. 10, para. 8h), it will be difficult in any case to persuade Britain and France to adopt the US policy on Berlin. However, the urgency of secretly clarifying the US position on Berlin to the UK and France may outweigh the danger that such clarification may threaten ratification of the Paris Agreements. At a minimum, consultation on measures to meet possible Soviet harassmer; might be called for.

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6. Some consideration might also be given to the long-range prosects for maintaining Berlin's economy and morale over the next several years. If the ratification of the Paris accords means, as is likely, a formalization of the semi-permanent division of Germany, how viable is our long-run position in Berlin in these circumstances? Will Berlin morale hold up indefinitely? We have no firm views on this subject but it may deserve examination.

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